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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adoption of resolution establishing a master fee schedule for cost recovery of services provided by the Lodi Fire Department (FD)

MEETING DATE: April 20, 2005

PREPARED BY: Michael E. Pretz, Fire Chief

RECOMMENDED ACTION: That City Council approve adoption of the resolution to implement a master fee schedule for cost recovery of services provided by the Lodi Fire Department

BACKGROUND INFORMATION: The Fire Department was tasked in 2004 with recovering costs associated with services provided outside of emergency services. The Fire Prevention Bureau conducted an extensive research project of the fire service and found the vast majority of fire departments have cost recovery built into their services for plan review, construction inspections, fire protection systems review and inspections, as well as permits and business inspections. A quantitative analysis was conducted to apply hourly costs and time on task to create department expenses for the typical services. Costs were derived from the analysis and fees were based on this recommendations. This service is based on individual users who request services from the Fire Department or services mandated or required by state law, state fire code or inspections to assure fire code compliance.

The Lodi Municipal Fire Code was evaluated and recommendations for additions have been made to the code to allow authority and enforcement provisions. Fire Marshal Person has met with various groups including the Chamber of Commerce, Builders Industry Association and local developers and contractors. At the March 15, 2005, shirtsleeve session Fire Marshal Verne Person presented Council with an introduction to the cost recovery program. A public hearing was conducted at the April 6, 2005 City Council meeting and approval was given to proceed with the ordinance for the repeal and re-enactment of the Lodi Municipal Fire Code. The fee schedule is supported by the Lodi Municipal Fire Code, California Fire Code and California state law.

Lodi Fire Department has continued to inspect occupancies mandated by the state, conduct plan review and construction inspections as well as various operations which are required by the state at no cost to the users. General business inspections were discontinued in the mid 1980's and continues not to be inspected for fire and life safety violations. The proposal sets in motion a vehicle for cost recovery of services provided by the fire prevention division of the Lodi Fire Department for development services, state mandated services as well as permits required by California Fire Code. The proposal also implements a business inspection component to assure the safe operation of businesses within Lodi at no initial charge to the businesses.

APPROVED: _____

Blair King, City Manager

Adoption of resolution establishing a master fee schedule for cost recovery for services provided by the Lodi Fire Department (FD)

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FISCAL IMPACT: Initial set up cost for program implementation of \$10,900 plus an additional ongoing cost of \$19,062. Cost recovery generation is estimated at \$100,000 for the first year and \$250,000 when program is fully implemented, which is estimated for two years.

FUNDING AVAILABLE: General Fund


James R. Krueger, Finance Director


Michael E. Pretz, Fire Chief

VRP/h

Attachments

C: City Attorney

Annual Fire and Life Safety Inspections**Fee****State Mandated Inspections**

✓ E-3 Occupancies – Day Care	
7 - 49 clients	150.00 +
50 - 149 clients	187.50 +
>= 150 clients	225.00 +
Pre-inspection <= 25 clients	50.00
Pre-inspection > 25 clients	100.00
✓ I Occupancies – Institution	
I-1 or I-2 Occupancies < 6 patients	150.00 +
I-1 or I-2 Occupancies >= 6 patients	225.00 +
I-3 Occupancies – Detention Facilities	No Charge
✓ R-1 Occupancies – Apartments	
Initial plus 1 Reinspect	No Charge
Additional Reinspections (each)	75.00 +
✓ R-1 Occupancies – Hotels/Motels	
3 - 16 Units	112.50 +
17 - 32 Units	150.00 +
>= 33 Units	187.50 +
✓ R-2 Occupancies – Residential Care Facilities	
>= 7 residents	225.00 +
Pre-inspection < 25 residents	50.00
Pre-inspection >= 26 residents	100.00
✓ R-3 Occupancies – Large Family Day Care	
7 to 14 clients	75.00 +
Pre-inspection	50.00
✓ R-6 Occupancies – Halfway Houses, etc.	
>= 7 residents	225.00 +
Pre-inspection < 25 residents	50.00
Pre-inspection >= 26 residents	100.00

Business Fire & Life Safety Inspections

Fire Company Business Inspection	
Initial plus 1 Reinspect	No Charge
Additional Reinspections (each)	75.00 +

+ Minimum Fee, actual cost may vary

✓ Existing prevention activity

Annual Operating Permits and Inspections

Fee

Administrative Charges		
Failure to Obtain Permit		Standard fee doubled
Late Fee		Standard fee doubled
Multiple Permits, Same Inspection		
	First highest at 100%, additional at 50%	
Aerosol Products		225.00
Airports, Heliports, Helispots		150.00
Aircraft Refueling Vehicle		150.00
Aircraft Repair Hanger		225.00
Asbestos Removal		150.00 +
Automobile Wrecking Yard		225.00
Battery System		206.25
Candles and Open Flame in Public Assembly Area		
✓ Single Use (weddings, banquets, etc.)		15.00
Commercial Use		75.00
✓ Carnival and Fairs		150.00 +
Cellulose Nitrate Film		168.75
Cellulose Nitrate Storage		206.25
Christmas Tree Lots	No Charge	
Combustible Fiber Storage		206.25
Combustible Materials Storage		206.25
Commercial Rubbish-handling Operation		187.50
Compressed Gases		243.75
Cryogenics		187.50
Dry Cleaning Plants (Initial)		206.25
Dust Producing Operations		206.25
Explosives or Blasting Agents		187.50
Fire Hydrant or Water-control Valves	No Charge	
✓ Fireworks		281.25
Flammable and Combustible Liquids		168.75
✓ Haunted House	No Charge	
Hazardous Materials		225.00
High-piled Combustible Storage		168.75
Hot-work Operations		112.50
Liquid Petroleum Gas		150.00
LPG or Gas-fueled Vehicles/Equipment in Public Assembly Bldg.		75.00
Lumberyards, Lumber		187.50
Magnesium Working		93.75
Mall, Covered		150.00 +
Motor Vehicle/Marine Fuel-dispensing Station		150.00
✓ Open Burning		37.50
Organic Coatings – Manufacture		168.75
Ovens and Furnaces, Industrial Baking or Drying		150.00
Non-Flammable Medical Gas Systems		150.00 +
Parade Floats	No Charge	
✓ Places of Assembly		
Occupancy Load 50 - 299		187.50
Occupancy Load 300 - 999		262.50
Occupancy Load >= 1000		337.50
✓ Pyrotechnical Special Effects Material		150.00 +
Radioactive Materials		206.25
Refrigeration Equipment		150.00

Annual Operating Permits and Inspections		Fee
Repair Garages		150.00 +
State Fire Marshal Permits		
Live Audiences		150.00
Production Facilities		150.00
✓ Pyrotechnics and Special Effects		150.00 +
Spraying or Dipping - Utilizing F/C Liquids or Powders		168.75
Tents, Canopies, and Temp. Membrane Structures		
Event Organizer		150.00 +
Tents > 200 sq. ft. or a canopy > 400 sq. ft.		150.00 +
Additional Tents (each)		75.00
Tire Storage		168.75
Wood Products		150.00

+ Minimum Fee, actual cost may vary

✓ **Existing prevention activity**

New Development and Tenant Improvements Plans Review**Fee****Site Planning**

✓ Annexation	150.00 +
✓ Land Use	150.00 +
✓ Lot Line Adjustments	150.00 +
✓ Parcel Map	150.00 +
✓ SPARC	150.00 +
✓ Zoning Variance	150.00 +
✓ Subdivision/Lot Splits	
1 - 4 Lots	150.00
5 - 24 Lots	300.00
25 or more Lots	450.00

Fire & Life Safety Plans Review and Inspections

✓ Fire Review of Building Construction	
Add 25% to building plan check & building permit fee	
✓ Certificate of Occupancy (Fire)	75.00 +

Fire Protection Equipment Plans Review and Inspections

✓ Civil Improvement Site Plan (no underground inspection)	150.00 +
✓ Compressed Gas System (each)	
Hazardous Materials	375.00 +
Medical Gas	450.00 +
✓ Fire Alarm System	450.00 +
✓ Fire Alarm System for Fire Sprinkler Monitor	300.00 +
✓ Fire Flow/Hydrant Test	150.00 +
✓ Fire Pump	900.00 +
✓ Fire Sprinkler System (per riser)	
1 - 6 Heads	225.00
7 - 19 Heads	375.00
20 - 99 Heads	750.00
100 - 199 Heads	1,050.00
≥ 200 Heads (plus \$0.50 per head)	1,350.00
✓ Halon/Clean Agent System	450.00 +
✓ Hood & Duct Fire Suppression System (each)*	300.00 +
'hood' requires separate building permit	
✓ Plan Maintenance Fee'	
Add 5% to plan check fee	

*fire alarm system, alarm system for sprinkler monitor, fire pump,
fire sprinkler system, halon/clean agent system, hood & duct
suppression system, spray booth, standpipe/hose stations

New Development and Tenant Improvements Plans Review		Fee
✓	Smoke Management Systems	750.00+
✓	Spray Booth (each)	450.00 +
✓	Standpipe/Hose Stations	150.00 +

Miscellaneous Development

Administrative Charge		
✓	Design Review Consultation/Conference	75.00+
	Minimum Intake Fee (not otherwise specified)	75.00
✓	Second and Subsequent Plan Revision Submittals (each)	150.00
✓	Temporary Certificate of Occupancy	150.00
✓	Special Plan Review Request	
	After Hours	225.00 +
	Not Otherwise Specified	150.00 +
✓	Cancellation - < 24 Hrs. notice, Not Ready, No Show	75.00
✓	Technical Report/Alternate Materials or Methods'	150.00+
	*per code item plus consultant fee plus 20% admin fee	

+ Minimum Fee, actual cost may vary

✓ **Existing prevention activity**

Miscellaneous		Fee
Administrative Charge		
✓	Appeals – When Fire Chief Denies Application	375.00
✓	Environmental Impact Report Document Search	75.00 +
	Other Activities Not Listed	75.00 +
	Refund Processing	37.50
✓	Weed Abatement (per parcel)	150.00 +
✓	Emergency Response (per company)	
	DUI	131.00 +
	Hazardous Materials	131.00 +
✓	False Alarms – 2 or fewer per calendar year	No Charge
	Third False Alarm	75.00
	Fourth False Alarm	150.00
	Fifth and Subsequent (each)	393.00
	Contact not at scene in 60 min	131.00
	Failure to notify LFD of test	131.00
✓	Fire Investigations (per person)	75.00 +
✓	Fire Reports and Other Documents (per page)	0.25 +
✓	Investigation - No Construction Permit	75.00 +
✓	Occupancy Load Calculation	75.00 +
✓	Photograph Reproduction (per print)	
	Actual cost plus 20% admin fee	
✓	Standby (per person)	75.00 +
Standard Hourly Rate		
	LFD Personnel	75.00
	Engine or Truck Company	131.00

+ Minimum Fee, actual cost may vary

✓ **Existing prevention activity**

K-2b

RESOLUTION NO. 2005-_____

A RESOLUTION OF THE CITY OF LODI ESTABLISHING
A MASTER FEE SCHEDULE FOR ANNUAL PERMITS
TO OPERATE NEW DEVELOPMENT AND TENANT
IMPROVEMENT PLANS REVIEW, FIRE AND LIFE SAFETY
INSPECTIONS, AND OTHER MISCELLANEOUS SERVICES
PROVIDED BY THE CITY OF LODI FIRE DEPARTMENT

DRAFT

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WHEREAS, the City of Lodi Fire Department is charged with the responsibility of enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal pursuant to California Health and Safety Code Section 13146 and California Fire Code Section 101.2.2.2; and

WHEREAS, the City of Lodi incurs costs and expends resources when fire prevention services are of a recurrent nature and the result of discretionary development; and

WHEREAS, the City desires to establish a policy to recover the cost of providing special services of a voluntary or limited nature, such that general fund monies are not diverted from general services of a broad nature, and thereby utilized to subsidize unfairly and inequitably such special services; and

WHEREAS, the City, pursuant to California Health and Safety Code Sections 13146.2(b), 13217(b), and 17951 and California Government Code Sections 6062(a), 6103.7, 66016, 66017, and 66018, is authorized to adopt fees sufficient to pay the cost of providing these services to the general public following proper notice and a public hearing; and

WHEREAS, the City Council of the City of Lodi has adopted Ordinance No. 1759, repealing and re-enacting Chapter 15.20 (Fire Code) of the Lodi Municipal Code, which authorizes in Section 15.20.040 the City to establish fees sufficient to recover its costs in administering the Fire Code, subject to adoption of an implementing resolution of the City Council; and

WHEREAS, the City of Lodi Fire Department has conducted an analysis of its services, the costs reasonably borne, the beneficiaries of those services, and the cost-recovery revenues produced by those paying fees and charges for special services (Business Plan for Recovery of Costs (the "Fee Study") and Master Fee Schedule, dated March 2005, collectively attached hereto as Exhibit A and incorporated herein); and

WHEREAS, the analysis of fees and service charges set forth in the Fee Study and Master Fee Schedule provide a mechanism for ensuring fees adopted by the City for services rendered do not exceed the reasonable estimated cost of providing the services for which the fees are charged; and

WHEREAS, the fees and service charges set forth in the Master Fee Schedule bear a fair and reasonable relationship to the City's costs in administering the Fire Code; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Act (Public Resources Code Sections 21080, et seq.) because it approves and sets forth a procedure for determining fees for the purpose of meeting certain operating expenses of the City; and

WHEREAS, the Fee Study was available for public inspection and review in the office of the City Clerk for more than 14 days prior to the date of the Public Hearing on this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does find and resolve as follows:

1. The recitals set forth above are true and correct.
2. The fees and service charges set forth in the Master Fee Schedule (Exhibit A) are hereby implemented.
3. The fees and service charges set forth in the Master Fee Schedule are to be uniformly applied and collected for services provided by the Lodi Fire Department or its designated contractor(s). Fees and service charges for special services of a voluntary or limited nature shall not exceed the actual cost incurred by the City in providing the special service.
4. Fees and service charges set forth in the Master Fee Schedule are for each identified service; additional fees and service charges shall be required for each additional service requested or required. Where fees are indicated on a per-unit basis, the fee is for each identified unit or portion thereof within the indicated range of such units.
5. The Fire Chief of the City of Lodi is hereby delegated the authority to create administrative, fee-collection, and financial procedures as necessary to implement the Master Fee Schedule consistent with the policies set forth in this Resolution.
6. The appropriate fee(s) under the Master Fee Agreement shall be paid at the time of application submittal for: a) permits to operate, b) new development and tenant improvement plan checks/inspections, c) annual fire and life safety inspections, and d) miscellaneous services and products. In the event fees are not paid at the time of application submittal or upon request for additional fees, the City shall not be obligated to process, approve, or take further action on permits, plan checks/inspections, fire and life safety inspections, or other services and products listed in the Master Fee Schedule until such time as the appropriate fees are paid to the City.
7. No permit or approval shall be issued by the City unless applicant's project is in compliance with applicable City and state laws and fees required under the Master Fee Schedule are paid in full. Payment of fees by applicant shall not be construed as any waiver of the City's right to enforce compliance with fire and life safety standards, statutes, ordinances, or regulations through any means authorized by applicable law.
8. At regular intervals the Fire Chief shall review the Master Fee Schedule to ensure that fees and service charges continue to bear a fair and reasonable relationship to the City's costs in administering the Fire Code.
9. The Fire Chief shall propose modifications to the Master Fee Schedule to the City Council in the form of a resolution. In proposing modifications to the Master Fee Schedule, the Fire Chief shall consider only the standards, criteria, and procedures established by this Resolution and applicable state law. The Fire Chief may also adjust the type of services offered in the Master Fee Schedule if, in the judgment of the Fire Chief, equity requires such adjustment.
10. Fee adjustments to the Master Fee Schedule proposed by the Fire Chief may be increased by resolution of the City Council in amounts determined reasonable and necessary when budget and workload analysis supports such increases.

11. The Master Fee Schedule established in this Resolution shall be effective on July 1, 2005, which date is at least sixty (60) days after adoption of this Resolution.

Dated: April 20, 2005

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I hereby certify that Resolution No. 2005-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held on April 20, 2005, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2005-_____

Annual Operating Permits and Inspections	Fee
Administrative Charges	
Failure to Obtain Permit	Standard fee doubled
Late Fee	Standard fee doubled
Multiple Permits, Same Inspection	
First highest at 100%, additional at 50%	
Aerosol Products	225.00
Airports, Heliports, Helispots	150.00
Aircraft Refueling Vehicle	150.00
Aircraft Repair Hanger	225.00
Asbestos Removal	150.00 +
Automobile Wrecking Yard	225.00
Battery System	206.25
Candles and Open Flame in Public Assembly Area	
Single Use (weddings, banquets, etc.)	15.00
Commercial Use	75.00
Carnival and Fairs	150.00 +
Cellulose Nitrate Film	168.75
Cellulose Nitrate Storage	206.25
Christmas Tree Lots	No Charge
Combustible Fiber Storage	206.25
Combustible Materials Storage	206.25
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Dust Producing Operations	206.25
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Haunted House	No Charge
Hazardous Materials	225.00
High-piled Combustible Storage	168.75
Hot-work Operations	112.50
Liquid Petroleum Gas	150.00
LPG or Gas-fueled Vehicles/Equipment in Public Assembly Bldg.	75.00
Lumberyards, Lumber	187.50
Magnesium Working	93.75
Mall, Covered	150.00 +
Motor Vehicle/Marine Fuel-dispensing Station	150.00
Open Burning	37.50
Organic Coatings – Manufacture	168.75
Ovens and Furnaces, Industrial Baking or Drying	150.00
Non-Flammable Medical Gas Systems	150.00 +
Parade Floats	No Charge

Annual Operating Permits and Inspections		Fee
Places of Assembly		
Occupancy Load	50 – 299	187.50
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Occupancy Load	>= 1000	337.50
Pyrotechnical Special Effects Material		150.00 +
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Refrigeration Equipment		150.00
Repair Garages		150.00 +
State Fire Marshal Permits		
Live Audiences		150.00
Production Facilities		150.00
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Tents, Canopies, and Temp. Membrane Structures		
Event Organizer		150.00 +
Tents > 200 sq. ft. or a canopy > 400 sq. ft.		150.00 +
Additional Tents (each)		75.00
Tire Storage		168.75
Wood Products		150.00

+ Minimum Fee, actual cost may vary

Fire & Life Safety Plans Review and Inspections		Fee
Fire Review of Building Construction		
Add 25% to building plan check & building permit fee		
Certificate of Occupancy (Fire)		75.00 +
Fire Protection Equipment Plans Review and Inspections		
Civil Improvement Site Plan (no underground inspection)		150.00 +
Compressed Gas System (each)		
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1 - 6 Heads		225.00
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20 - 99 Heads		750.00
100 - 199 Heads		1,050.00
>= 200 Heads (plus \$0.50 per head)		1,350.00
Halon/Clean Agent System		450.00 +

Hood & Duct Fire Suppression System (each)*	300.00	+
*hood requires separate building permit		

Plan Maintenance Fee*

Add 5% to plan check fee

*fire alarm system, alarm system for sprinkler monitor, fire pump, fire sprinkler system, halon/clean agent system, hood & duct suppression system, spray booth, standpipe/hose stations

Smoke Management Systems	750.00	+
Spray Booth (each)	450.00	+
Standpipe/Hose Stations	150.00	+

Miscellaneous Development

Administrative Charge

Design Review Consultation/Conference	75.00	+
Minimum Intake Fee (not otherwise specified)	75.00	
Second and Subsequent Plan Revision Submittals (each)	150.00	
Temporary Certificate of Occupancy	150.00	

Special Plan Review Request

After Hours	225.00	+
Not Otherwise Specified	150.00	+

Fire & Life Safety Plans Review and Inspections

Fee	
Cancellation - < 24 Hrs. notice, Not Ready, No Show	75.00

Technical Report/Alternate Materials or Methods*	150.00	+
*per code item plus consultant fee plus 20% admin fee		

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Fee

State Mandated Inspections

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Fire Company Business Inspection		
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Administrative Charge	
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Emergency Response (per company)	
DUI	131.00 +
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Fourth False Alarm	150.00
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Fire Investigations (per person)	75.00 +
Fire Reports and Other Documents (per page)	0.25 +
Investigation - No Construction Permit	75.00 +
Occupancy Load Calculation	75.00 +
Photograph Reproduction (per print)	
Actual cost plus 20% admin fee	
Standby (per person)	75.00 +
Standard Hourly Rate	
LFD Personnel	75.00
Engine or Truck Company	131.00

+ Minimum Fee, actual cost may vary

City of Lodi Fire Department



Business Plan for Recovery of Costs Associated with

Annual Permits to Operate
New Development and Tenant Improvement Plans Review
Annual Fire and Life Safety Inspections
and
Miscellaneous Fire Department Products and Services

March 2005

Regulation and Policy

The fee schedules will apply within the legal boundaries of the City of Lodi. Operational oversight will be provided by the Lodi Fire Department as developed by the Fire Chief. Coordination of activities associated with the fee schedules will be performed by the Fire Marshal and Fire Prevention Bureau of the Lodi Fire Department.

As a cost-recovery program, the fee schedules will be evaluated periodically to ensure revenue represents actual cost-recovery without surpluses or deficits. Fees will be established after quantifying time-on-task and frequency of occurrence for each item in the schedules. A significant factor in determining the fee amounts will be ensuring all prevention activities are included in cost-recovery calculations.

Roles and responsibilities of staff utilizing the fee schedules will be articulated by the Fire Chief and Fire Marshal. Prevention activities subject to cost-recovery (plan review, fire and life safety inspections, permits-to-operate, and miscellaneous) will be performed by authorized fire department personnel. This staff will be part of the chain-of-command flowing through the Fire Marshal to the Fire Chief. Inspectors and clerical staff will have clearly defined roles, responsibilities, and lines of communication. Day-to-day oversight will be provided by the Fire Marshal, with overall management and policy development determined by the Fire Chief.

Planning will be an ongoing activity focusing on two outcomes: 1) the City of Lodi has direct control over activities and situations affecting fire and life safety, and 2) entities and individuals receiving direct benefit from city resources bear the cost of consuming those resources. Formal changes to the program will be proposed during, and as part of, the budget process when practical. Changes arising from environmental conditions will be identified and presented when the interests of the city or consumers will be affected significantly. To ensure the city's interests are represented fully, the fire department will consult with Community Development, Public Works, and Finance departments as well as the City Attorney and City Manager before implementing any significant change, expansion, or reduction in the fee schedules; however, the final decision to request authorization from the City Council will rest with the City Manager.

Analysis and Planning

For the City of Lodi, the components and level of service associated with creating, implementing, and operating a cost-recovery fee schedule will be tailored to its perspectives, preferences, and priorities. Detailed quantitative analysis shows the relationship between the time needed to perform the various tasks for the items listed in the fee schedules and the cost of operating the Fire Prevention Bureau of LFD. This analysis also identifies the financial, equipment, facilities, and staffing needs necessary to serve the public quickly and effectively. This analysis will establish baseline values for activities and costs as well as creating a standardized method for assessing needs and meeting those needs with specific service elements.

In addition to specific analysis to determine levels of service and cost-recovery values, community and demographic data will be factored into the calculations to ensure proper weighting of local characteristics is included. Since this will be a new program for the city, the fee schedules will be compared to prices charged by other jurisdictions in the region as well as specific analysis of LFD cost-recovery requirements. Another source to assure the reasonableness of the fee schedules is the results of a survey conducted by the International Conference of Building Officials. The ICBO surveyed 63

California cities and counties, grouped by population, and developed descriptive statistics of the fees charged to review plans and conduct inspections for the most common construction types.

The LFD Strategic Plan identifies numerous performance measures as a means of validating the expected outcomes of department activities. As the fee schedules are implemented, additional performance measures related to work processes and outcomes may be developed to ensure accountability to the city and general public is maintained. These performance measures as well as ongoing program evaluation will be part of a “system assessment cycle” that includes: data collection, evaluation, analysis, planning, implementation, training, feedback, and more data collection. This will allow the department to monitor short- and long-term changes in the environment, current local and regional conditions and trends, as well as changes in demographic, economic, and political circumstances that may affect the business interests of the city.

Finance

Economists have advocated more extensive utilization of user charges by local governments to finance public services. “User charges put public prices on public products. They apply to those who voluntarily consume services or use public facilities... They are favored not only because they [generate savings to the general fund], but also because they can lead to more efficient allocation of resources and a more equitable distribution of public services” (*San Marcos Water District v. San Marcos Unified School District*, 1985).

To be certain our cost calculations consider the full range of applicable indirect as well as direct charges, LFD will review all aspects of the fire prevention portion of the department’s overall budget. “The real costs of municipal services involve substantially more than the direct salary and benefit costs associated with delivering a service. Cost calculations also include such indirect costs as departmental overhead and administration, municipal overhead and administration, fixed asset replacement, capital depreciation, debt service, and retirement.”¹ In an opinion letter dated July 21, 1997, titled *Building Inspection and Permit Fees—#12478*, the Legislative Council of California stated, in the opinion of that office, California statutes authorize local building departments to include those costs within the fees it charges for permits and inspections.

To identify the total cost-recovery amount, both internal and external costs will be included. Internal costs are those fire department direct expenses identified in the annual budget documents. External costs are those services and support provided by other city departments as a component of the overall city organization.

Incorporating the cost of support services provided by the city (which allows the fire department to function) acknowledges the “administrative infrastructure” which is as necessary as the city’s physical infrastructure for meeting service demands. Administrative infrastructure includes city services such as data processing, finance, human resources, vehicle and building maintenance, legal counsel, and time spent by the City Council enacting laws and ordinances regulating fire and life safety. In other words, plan checks, inspections, and related permit services could not occur without an organization capable of meeting the various resource needs of citizens, businesses, and developers.

The basic methodology for cost-recovery is to identify all costs of services provided by LFD (plans review, fire and life safety inspections, permits, and miscellaneous) and create fees based on the time

¹ Bouse, Michael W.; *Establishing Building Permit Fees*; p 13; International Conference of Building Officials, 1998.

required by fire department personnel to complete those tasks. The fee for reviewing a particular type of plan document will be based on the time needed to complete the review.

Based on the available capacity of the Fire Prevention Bureau of LFD, the hourly rate for providing services will be \$75 per hour. This includes all direct and indirect costs of prevention as well as an administrative overhead charge representing the cost of support services provided by the City of Lodi.

The best way to calculate time-on-task for the items included in the fee schedules is to examine historical records and combine values from several years or accounting periods into a representative value supported by statistical analysis. Until recently, LFD record keeping has been limited to compliance with mandated external reporting requirements. This means documentation of activity relevant to establishing fee schedules is incomplete and not suitable for use as the sole basis for determining prices. Rather than establishing prices in an arbitrary manner, LFD has chosen to utilize information from Community Development, Public Works, ICBO, and nearby jurisdictions in addition to available department data. To ensure the fee schedules can withstand critical scrutiny, the assumptions, methods, and values have been reviewed by the Finance, Community Development, and Public Works directors; the city Building Official; City Attorney; and City Manager's office.

Legal

Licensing laws and regulations achieve a number of related police power objectives by controlling performance of designated activity and prohibiting unlawful and unsafe practices. User fees in California are required to conform to the requirements of the California Constitution as well as the statutory requirements contained in the California Code of Regulations and Government Code. State courts have been very flexible regarding methodologies used by local jurisdictions to establish service fees. The courts have held that some form of study or analysis must be conducted, and that the rationale used in the study must be reasonable. The reasonable cost standard is met when fees are based on supporting data for the jurisdiction.²

Quality Management

The main focus for quality management activities is ensuring fee schedule prices reflect appropriate cost-recovery guidelines. These guidelines, in turn, are based on community needs and expectations, desired organizational outcomes, and available resources. Another function of quality management is ongoing evaluation of performance targets to measure compliance to policies and procedures as well as ensuring targets are realistic and attainable. A third use of quality management is to build, verify, and monitor standards and procedures for successful completion of the permit/inspection process.

Analysis of quality management tasks and data will identify areas of improvement, evaluate system performance, prioritize areas of development, monitor performance indicators, discover training opportunities, and include customer satisfaction feedback loops. The performance measures identified in the Strategic Plan will be the basis for capturing appropriate data points as well as allowing analysis from different perspectives using different data groupings and levels of aggregation.

² Bouse, Michael, W.; *Establishing Building Permit Fees*; p 7; International Conference of Building Officials, 1998.

Education and Information

Education and information activities will be divided into three basic groupings: 1) meetings with civic groups, developers, and interested stakeholders; 2) casual or informal information exchange at the permit center counter; and 3) publishing and distributing a “developer’s guide” for the purpose of allowing interested parties to know, up front, the expectations of the City of Lodi in regards to code compliance and the review/inspection processes.

The first phase of education and information activities will focus on introducing the fee schedules, answering questions, and building understanding of the need to implement cost-recovery efforts. The second part of education and information activities is daily, ongoing contact with applicants. A knowledgeable counter-person will be able to answer questions and distribute literature. The third phase will promulgate consistent interpretation of the codes through development and distribution of standards and guidelines. This will allow developers to create plans in compliance with local expectations and reduce disputes over city requirements. In addition to the developer’s guide, various pamphlets, brochures, and flyers will be created as demand requires.

Equipment and Facilities

Since the fee schedules are a new endeavor for LFD, there is no way to quantify their impact on available capacity. The fire department is comfortable with using available resources to operate the program until a baseline history of the actual workload can be established. Developing and designing appropriate forms and checklists will be the only initial change to LFD resource needs.

Operations

The fee schedules will be based on this plan and supporting data analysis. Work flow will remain basically the same, only the volume will increase. This program is an extension of the fire department’s strategy to utilize resources efficiently and effectively, uses the existing chain of command, and as workload increases will provide for further delineation of responsibility and authority. Service delivery will be consistent with city and LFD policy; industry standards; and applicable statutes, ordinances, and regulations. Although formal disputes are rare, the Lodi Municipal Code articulates the means by which an applicant can appeal.

There will be a need for additional technical training in hazardous materials management and in some aspects of permit requirements. LFD will work cooperatively with other departments and organizations in planning, identifying needs, training, integration, and coordination of tasks, documents, and approvals. This will be a cooperative effort on the part of city departments to ensure changes to work processes, lead time, and documentation will be implemented in a manner that provides the city control and oversight while recovering the costs of enforcement.

In general, for each requested service, an applicant will complete an application form or submit the appropriate materials, pay the required fee (or minimum increment) and the work will be processed in the order in which it is received. For example, a hood-and-duct system will take four hours for document review and inspection. At \$75 per hour, one system will recover \$300, if ten systems are installed, the City of Lodi will recover \$3,000.

The fee schedule can accommodate special circumstances, but the customer will pay a premium for LFD to perform services outside its customary operating structure. Likewise, should a customer fail to meet his or her obligations, there is a penalty for consuming city resources unnecessarily.

Implementation

The likely (based on surveys and available city data) time-on-task associated with each fee schedule item is the basis for establishing the actual fee amount. In cases where it is not possible to quantify the exact amount of time for completing a particular task, minimum incremental fees are listed—subject to adjustment as the actual time-on-task is determined for each project or activity. This assures fees are matched as closely as possible to the resources consumed for providing the specified service or product.

The fees are based on the annual available hours of fire department staff in comparison with the costs to be recovered. The target for cost recovery is the Fire Prevention Bureau portion of the fire department budget plus the city administrative overhead costs proportionally allocated to prevention activities.

Because this is a new endeavor for the fire department, it is difficult to anticipate exactly the increase in workload and its effect on available capacity. This is why many items in the fee schedules list minimum increments of the final fee as the base price and why the program will be implemented in phases. The fee schedules will be implemented starting with tasks already performed by LFD and advance to activities requiring different skills and additional capacity. However, as the program matures and detailed historical data is collected, cost-recovery estimates will be refined and adjusted as necessary to more closely align with the cost-recovery target.

The Master Fee Schedule contains the complete listing of the items for which fees will be collected when the program is fully implemented. Plans review and certain fire and life safety inspections will be the first phase of implementation. Annual permits to operate will be introduced after the operational methods are shown to be effective and efficient. Miscellaneous items will be added as needed while the program develops and solidifies.

K-2

Susan Blackston

From: Susan Blackston
Sent: Tuesday, April 19, 2005 1:37 PM
To: 'Glenn Glissman'
Cc: City Council
Subject: RE: Fire Dept. Inspection Fee Proposal

Dear Glenn Glissman:

This reply is to confirm that your message was received by each member of the City Council and will be included as part of the public record for Item K-2 on the April 20, 2005 City Council agenda.

Thank you for expressing your views.

/s/ Susan J. Blackston, City Clerk

-----Original Message-----

From: Glenn Glissman [mailto:glissman@softcom.net]
Sent: Monday, April 18, 2005 12:28 AM
To: John Beckman; Susan Hitchcock; Larry Hansen; Bob Johnson; JoAnne Mounce
Cc: info@lodichamber.com
Subject: Fire Dept. Inspection Fee Proposal

I am writing to express my opposition to the Lodi Fire Department's latest attempt to move from a "public service" agency to a "service for a fee" agency.

I feel that if the government is going to mandate inspections, permits or licenses, the government should pay the cost of that mandate. In doing so, the government would be forced to determine if the mandate produces a benefit worthy of the cost and effort to comply with the mandate. When the government imposes the cost on business it rarely reviews the benefit vs. cost issue - it usually just keeps increasing the cost (fees or taxes) to businesses.

Some Lodi News Sentinel articles said most businesses would be subject to routine inspections that would cost nothing and that a second inspection would also be free. However, a third inspection would result in a business being charged a fine of \$75.00. Chief Pretz says this program will "improve fire safety" and the proposed fees would support the Department's Fire Prevention Program. If they were truly interested in "improving fire safety" and fire prevention why do they need to charge fines? It shows they are more interested in money than improving fire safety, fire prevention programs or public service. Maybe a more realistic name for the Fire Prevention Staff would be Fire Code Enforcement.

Many years ago under Police Chief Floyd Williams the City enacted an ordinance that requires the owners of residential and business burglar alarms to obtain permits for those systems. At that time there was no fee required for the permit. Now the City charges a \$25.00 yearly fee for a commercial burglar alarm system permit. I foresee the same type of thing happening if this proposal is approved. An ordinance mandates inspections, more staff required to complete the inspections and bill taxpayers, more funds needed to pay for staff of inspectors and billing staff, an increase in fees and fees being charged for all inspections.

I think fire inspections are a good idea. They should be done by firefighters on businesses in their district. They should be both "familiarization" inspections and "fire safety" inspections. Firefighters should obviously be familiar with the commercial buildings in their district. They can do the fire safety inspection at the same time. Taxpayers are already paying for these firefighters - any additional cost should be insignificant and certainly not requiring additional fees or fines.

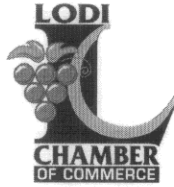
4/19/2005

The Lodi Fire Department's proposals regarding ambulances, paramedics, response to crimes, inspections and permits all have fees included with the proposals. It is clear they want to move towards being a "service for a fee" agency. Maybe the City Council should look closer to see if the Fire Department is "top heavy" because they have so much time to put into these fee proposals.

The Fire Department already consumes a big piece of the City budget and their requests for larger salaries, benefits, retirement, equipment, remodeling and new stations never end. The City Council is going to have to decide what kind of Fire Department the City will have - a true public service agency or a "service for a fee" agency with an insatiable need for ever increasing dollars from the City budget and fees.

I thank you for your consideration.

Glenn Glissman, CML
Security Lock and Key Service
216 S. School Street
Lodi, CA 95240



April 15, 2005

TO: Lodi City Council Members & the City Manager

FR: Lodi Chamber Board of Directors (rk)

Lodi Chamber Board Suggests Compromise on Proposed Fire Department Fees.....More Work and Education Needed Before Business Should "Buy-In"

Fire Department officials, City Manager, and the Lodi Chamber Board of Directors met in a special meeting April 14, 2005. The sole purpose of the meeting was to review and discuss the Fire Department's proposed fee schedule.

After much discussion, the Board determined there are fees for which the Fire Department should currently be charging. Examples of these are; administrative services such as EIR reports, weed abatement activity, emergency response to DUI offenders, chronic or multiple false fire alarm calls, and various investigations.

In other areas of service such as new development and tenant improvements for plan reviews, the Board feels there are indeed real costs that should be captured by those receiving services.

The Board has opposition to the proposal in the area of annual inspections. The fee schedule and the answers to the Boards questions indicate a lot of unknowns; in terms of just how often and how much these inspections will actually cost business owners. These hazy areas make it difficult to be supportive.

Based on the printed information, businesses would be charged by the type of business or items contained on the premises, such as a battery system, or compressed gases or refrigeration equipment. In the example of compressed gases, the Fire Department would charge \$243.75. However, it is unclear what would be charged if the business has 20 canisters of gas. Although the Fire Department says the fee would not be 20 times \$243.75, they are unable to say exactly what that business would be charged.

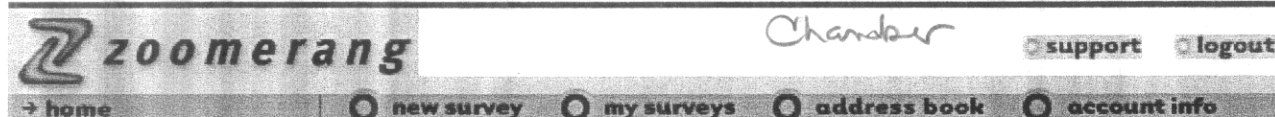
The Board feels a more user friendly and easier to understand pricing plan would allow a business to understand exactly how much they would have to pay.

Other Chamber objections to the fees are in the area of tents, canopies, and temporary membrane structures. Often these items are used in fund-raising events by charities and other non-profit organizations. The Proposed fees indicate a 10X20 foot tent must be inspected at a cost of \$150, with additional tents at \$75. Fire Department personnel say there is latitude in the schedule and they would be willing to consider a "per event charge" instead of per tent or canopy charge. However, this is not in writing and therefore, not understood.

The Chamber Board believes the Fire Department is sensitive to increasing the costs to business and there is some room for "give and take". It is again, the Board's opinion that the proposed fees need to be "spelled out" and more easily understood.

The Chamber fielded a survey on Tuesday, April 12th to 314 business owners and managers. The responses confirm a high degree of confusion. The survey had a 20% response rate. Qualitative comments were largely negative due to confusion and misunderstandings of exactly what the City and Fire Department would do with the additional revenues.

The Lodi Chamber of Commerce would urge the City Council and City Manager to work with the business community before beginning to levy these new fees in total. These fees cover a broad range of services and should not be approved in total as currently proposed.

filed 4-20-05
Item K-2 b)

Survey Results (Included Responses)

Membership Survey - Lodi Fire Dept. Proposed Fee Schedule

Report created on: Thursday, April 14, 2005 11:51:00 AM

The results of your survey are displayed below. If your survey includes text responses, click the "View" button to read individual results. To exclude a pa responses

EXCLUDE BLANK RESPONSES

Launch Date 04/12/2005 - 8:42 AM

Modified Date

Close Date

Email Invites 314

Visits 104 (33%)

Partials 0 (0%)

Completes 63 (20%)

Responses: Completes only Partials only Completes & Partials

Do you feel you understand the Fire Department's proposal for fees
1. for services?

	Number of Responses	Response Ratio
Yes	28	45%
No	34	55%
Total	62	100%

Do you believe the proposed Fire Department fee for service
2. schedule is justified?



	Number of Responses	Response Ratio
Yes	11	18%
No	49	82%
Total	60	100%

Do you pay similar fees to other government agencies, such as
Hazardous Material Management Plan of SJ, OSHA, San Joaquin
3. Air Pollution District?



Number of Responses	Response Ratio
---------------------	----------------

Yes		21	35%
No		39	65%
Total		60	100%

Do you believe these Fire Dept. services and activities will increase
4. the level of fire safety in your business?



		Number of Responses	Response Ratio
Yes		10	16%
No		52	84%
Total		62	100%

Are there any fees from the proposed schedule you feel are
5. excessive?




		Number of Responses	Response Ratio
Yes		24	48%
No		26	52%
Total		50	100%

 11 Responses


Do you see this proposed fee schedule as a strategy to increase
6. revenue for the Lodi City budget?

		Number of Responses	Response Ratio
Yes		51	85%
No		9	15%
Total		60	100%

7. Would you advise the Lodi Chamber Board to

		Number of Responses	Response Ratio
support the proposed fee		6	10%
take no position on this matter		10	17%
oppose the adoption of the proposed fees		42	72%
Total		58	100%

8. My Business is

		Number of Responses	Response Ratio
Mostly office activity		19	31%
Retail/Restautant		10	16%
Manufacturing/ Distribution		11	18%
Agriculture		1	2%

[VIEW](#) Other, Please Specify

	21	34%
Total	62	100%

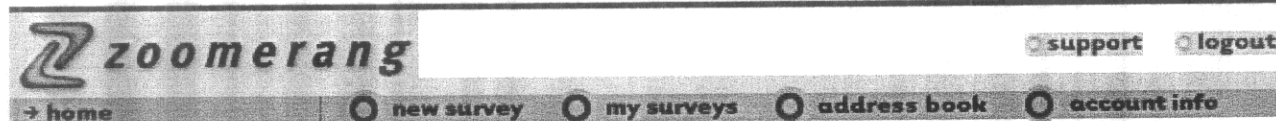
9. My business employs the following number of people....

	Number of Responses	Response Ratio
1-5 	27	45%
6-15 	17	28%
16-30 	3	5%
31-50 	4	7%
51-100 	4	7%
100+ 	5	8%
Total	60	100%

10. Please share any additional comments here:[VIEW](#) 14 Responses

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Survey Results (Included Responses)

Membership Survey - Lodi Fire Dept. Proposed Fee Schedule

Questions that required written responses are displayed by individual query. The "Report Overview" button or "Back" button will return you to your survey.

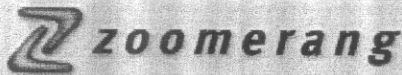
Each individual respondent is referenced under the # column.

5. Are there any fees from the proposed schedule you feel are excessive?

#	Response
1	From my experience this is a service that should be provided free of charge by the local fire department.
2	24 hr. cancellation fee, administrative fee, photograph reproduction fee.
3	Virtually every other jurisdiction that we do business in has similar, (usually higher), fees than those proposed. Although I don't necessarily feel that these services and activities increase the level of fire safety in a business, it is never bad to have Fire and Police department personnel more visible in the community.
4	They all appear to be excessive.
5	The cost of doing business in Lodi is already too high!
6	My business already receives a state fire inspection therefore, this fee and inspection is unnecessary!
7	most of them
8	Inspections
9	not excessive but unnecessary - what do we pay taxes for
10	any fee for any inspection that has been done in the past for no cost
11	Fees not excessive, but not necessary in certain categories

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Survey Results (Included Responses)

Membership Survey - Lodi Fire Dept. Proposed Fee Schedule

Questions that required written responses are displayed by individual query. The "Report Overview" button or "Back" button will return you to your survey.

Each individual respondent is referenced under the # column.

10. Please share any additional comments here:

#	Response
1	Nobody likes to pay fees. It is a fact of life however, tht going forward, cities are going to have to recoup some of their expenses from users of services. Although we have people responsible for safety, it is good to have an outside source take an objective look occasionally and offer suggestions. The fee that they are proposing is not excessive and from what I understand is not on an annual basis.
2	Although I feel these services should be provided free of charge, it would be beneficial and the fees are enough to where it is a big deal either way.
3	We already pay for city of Lodi Electrical bills which is a very high percentage of our costs. I understand a portion of this goes to the general funds anyway. I am opposed of any more fees since we are drowning in debts with more fees from the county, state and federal agencies.
4	I would not approve if these fees went to City General Fund.
5	The Lodi Fire Department, especially the Fire Marshall's office, is very cooperative and generally business-friendly. They offer services that we routinely pay for in other jurisdictions. We have wondered for a long time why we have not been charged a plan check fee for fire and life safety plan checking. In my mind these fees put Lodi closer to the norm as far as fee collection goes in similar-sized communities. I answered 'no' to the question on whether these new fees are meant to help solve the City's budget woes, as it is not a very significant amount of money in view of the size of the City's budget, or more specifically the Fire Dept's.
6	Why do they spend all monies during good times and do not have any left during bad times then go back to the well to get higher % of our taxes?
7	Business who are already inspected by other agencies should be exempt.
8	Inteestingly there has been no discussion of these fees until we find ourselves in a budget crisis. This now becomes a tax increase under another name. User fees are a resonable approach, but that doesn't seem to be the motivation here.
9	nothing but a money grab in tight budget times
10	either the new proposed inspections with thier fees were not needed in the past or our fire dept has been very negligent in their duty to protect us from fire hazards. This fee schedule is simply an attempt to generate revenue to off set thier personnel costs which are way to high
11	Some of the items have been mandated by the state of California for years, the manpower has not been available to do all that is mandated and provide adequate fire service.
12	Have a nice day
13	I have not been aware of this issue prior to this email. The archives of the shirt sleeve meeting only raise more questions in my mind
14	I UNDERSTAND THE NECESSITY FOR BRINGING MORE DOLLARS TO THE FIRE DEPT. SO THEY CAN CONTINUE TO TAKE CARE OF THE CITIZENS OF LODI. WITH ALL THE NEW REGS AND RESPONSIBILITIES PUT ON THEM BY THE FEDERAL/STATE GOVERNMENT, AND WITHOUT ADDITIONAL MONIES FROM THE GOVERNMENT TO SUPPORT THESE NEW ACTIVITIES, THE MONEY HAS TO COME FROM SOMEWHERE. MY BUSINESS IS NOT AFFECTED VERY MUCH; IF I HAD A BUSINESS THAT REQUIRED PAYING THESE ADDITIONAL COSTS, I MIGHT THINK DIFFERENTLY. THE PROPOSAL DOES APPEAR TO BE FAIR AND ALL SEGMENTS OF THE CITY WOULD SHARE IN PAYING THESE FEES.

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CITY OF LODI
FIRE DEPARTMENT

25 EAST PINE STREET
LODI, CALIFORNIA 95240
ADMINISTRATION (209) 333-6735 FIRE PREVENTION (209) 333-6739
FAX (209) 333-6844



K-2b

Verne Person
Fire Marshal

Michael E. Pretz
Fire Chief

Kevin Donnelly
Operations Chief

George Juelch
Battalion Chief

Jeff Larson
Battalion Chief

Ron Penix
Battalion Chief

Ron Heberle
Training Officer

TO: City Council thru
Blair King, City Manager
FM: Michael Pretz
RE: Fire Prevention Fee Issues
DT: April 19, 2005

After meeting with the Chamber of Commerce Executive Board on April 14th, there appears to be some outstanding issues remaining to be clarified.

Items with Chamber support/agreement:

New Development and Tenant Improvement fees
Administrative fees for services, i.e. DUI emergency response, weed abatement, chronic and multiple false fire alarms, etc.
Engine/Truck Company business inspections
Mandatory Inspections
Fire Prevention Bureau fire code non-compliance charges

Items requiring additional explanations:

Master Fee Schedule

The fee schedule is based upon the Fire Prevention Bureau rate of \$75.00 per hour charged in quarter hour increments. For example; \$243.75 equates to 3.25 hours of FPB time to inspect the property and issue the permit.

Annual Operating Permits and Fees

The annual operating permits listed in the Fire Prevention Bureau Master Fees Schedule are operating permits already embodied in the California State Fire Code. The Fire Department must issue these permits to those businesses whose operations fall under these regulations. Moreover, all business must comply with the regulations and meet the conditions described within these regulations. There are 48 special usages regulated by the State Fire Code, the majority of these usages do not apply to small businesses in Lodi. For example:

Compressed Gasses, Refrigeration Systems

These regulations are for high volume, flammable, toxic, or hazardous gasses used in manufacturing, storage, or production. Likewise refrigeration systems, these are large systems that are also regulated by the Uniform Mechanical Code, not the typical refrigeration system found in a restaurant. There are few businesses in Lodi that fall under these regulations.

Tents, Canopies, Temporary Membrane Structures:

All tents, canopies, and temporary membrane structures in excess of 200 square feet are regulated by the State Fire Code. The code does allow discretion for the issuance of the permit, as long as the spirit of the fire code is met. Typically, the event organizer is charged the permit fee.

Charitable Organizations:

While staff is sensitive to the needs of charitable organizations and non-profit organizations, we would prefer that Council waive fees at their discretion.

To re-iterate, all of the annual operating permits listed in the Fire Department Fee proposal are required by the State Fire Code. The question before council is whether or not to recover the cost of performing the inspection and issuing the permit.

RESOLUTION NO. 2005-81

A RESOLUTION OF THE CITY OF LODI ESTABLISHING
A MASTER FEE SCHEDULE FOR ANNUAL PERMITS
TO OPERATE NEW DEVELOPMENT AND TENANT
IMPROVEMENT PLANS REVIEW, FIRE AND LIFE SAFETY
INSPECTIONS, AND OTHER MISCELLANEOUS SERVICES
PROVIDED BY THE CITY OF LODI FIRE DEPARTMENT

=====

WHEREAS, the City of Lodi Fire Department is charged with the responsibility of enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal pursuant to California Health and Safety Code Section 13146 and California Fire Code Section 101.2.2.2; and

WHEREAS, the City of Lodi incurs costs and expends resources when fire prevention services are of a recurrent nature and the result of discretionary development; and

WHEREAS, the City desires to establish a policy to recover the cost of providing special services of a voluntary or limited nature, such that general fund monies are not diverted from general services of a broad nature, and thereby utilized to subsidize unfairly and inequitably such special services; and

WHEREAS, the City, pursuant to California Health and Safety Code Sections 13146.2(b), 13217(b), and 17951 and California Government Code Sections 6062(a), 6103.7, 66016, 66017, and 66018, is authorized to adopt fees sufficient to pay the cost of providing these services to the general public following proper notice and a public hearing; and

WHEREAS, the City Council of the City of Lodi has adopted Ordinance No. 1759, repealing and re-enacting Chapter 15.20 (Fire Code) of the Lodi Municipal Code, which authorizes in Section 15.20.040 the City to establish fees sufficient to recover its costs in administering the Fire Code, subject to adoption of an implementing resolution of the City Council; and

WHEREAS, the City of Lodi Fire Department has conducted an analysis of its services, the costs reasonably borne, the beneficiaries of those services, and the cost-recovery revenues produced by those paying fees and charges for special services (Business Plan for Recovery of Costs, i.e. the "Fee Study," and Master Fee Schedule, dated March 2005, collectively attached hereto as Exhibits A through E and incorporated herein); and

WHEREAS, the analysis of fees and service charges set forth in the Fee Study and Master Fee Schedule provide a mechanism for ensuring fees adopted by the City for services rendered do not exceed the reasonable estimated cost of providing the services for which the fees are charged; and

WHEREAS, the fees and service charges set forth in the Master Fee Schedule bear a fair and reasonable relationship to the City's costs in administering the Fire Code; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Act (Public Resources Code Sections 21080, et seq.) because it approves and sets forth a procedure for determining fees for the purpose of meeting certain operating expenses of the City; and

WHEREAS, the Fee Study was available for public inspection and review in the office of the City Clerk for more than 14 days prior to the date of the Public Hearing on this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does find and resolve as follows:

1. The recitals set forth above are true and correct.
2. The fees and service charges set forth in the Master Fee Schedule (Exhibits B – E) are hereby implemented.
3. The fees and service charges set forth in the Master Fee Schedule are to be uniformly applied and collected for services provided by the Lodi Fire Department or its designated contractor(s). Fees and service charges for special services of a voluntary or limited nature shall not exceed the actual cost incurred by the City in providing the special service.
4. Fees and service charges set forth in the Master Fee Schedule are for each identified service; additional fees and service charges shall be required for each additional service requested or required. Where fees are indicated on a per-unit basis, the fee is for each identified unit or portion thereof within the indicated range of such units.
5. The Fire Chief of the City of Lodi is hereby delegated the authority to create administrative, fee-collection, and financial procedures as necessary to implement the Master Fee Schedule consistent with the policies set forth in this Resolution.
6. The appropriate fee(s) under the Master Fee Agreement shall be paid at the time of application submittal for: a) permits to operate, b) new development and tenant improvement plan checks/inspections, c) annual fire and life safety inspections, and d) miscellaneous services and products. In the event fees are not paid at the time of application submittal or upon request for additional fees, the City shall not be obligated to process, approve, or take further action on permits, plan checks/inspections, fire and life safety inspections, or other services and products listed in the Master Fee Schedule until such time as the appropriate fees are paid to the City.
7. No permit or approval shall be issued by the City unless applicant's project is in compliance with applicable City and state laws and fees required under the Master Fee Schedule are paid in full. Payment of fees by applicant shall not be construed as any waiver of the City's right to enforce compliance with fire and life safety standards, statutes, ordinances, or regulations through any means authorized by applicable law.
8. At regular intervals the Fire Chief shall review the Master Fee Schedule to ensure that fees and service charges continue to bear a fair and reasonable relationship to the City's costs in administering the Fire Code.
9. The Fire Chief shall propose modifications to the Master Fee Schedule to the City Council in the form of a resolution. In proposing modifications to the Master Fee Schedule, the Fire Chief shall consider only the standards, criteria, and procedures established by this Resolution and applicable state law. The Fire Chief may also adjust the type of services offered in the Master Fee Schedule if, in the judgment of the Fire Chief, equity requires such adjustment.
10. Fee adjustments to the Master Fee Schedule proposed by the Fire Chief may be increased by resolution of the City Council in amounts determined reasonable and necessary when budget and workload analysis supports such increases.

11. The Master Fee Schedule established in this Resolution shall be effective on July 1, 2005, which date is at least sixty (60) days after adoption of this Resolution.
12. This resolution shall be published one time in the "Lodi News-Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi.

Dated: April 20, 2005

=====

I hereby certify that Resolution No. 2005-81 was passed and adopted by the City Council of the City of Lodi in a regular meeting held on April 20, 2005, by the following votes:

- 1) In reference to the **Annual Fire and Life Safety Inspection fees** (Exhibit B):
AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None
- 2) In reference to the **Business Fire and Life Safety Inspection fees** (Exhibit C):
AYES: COUNCIL MEMBERS – Hitchcock, Mounce, and Mayor Beckman
NOES: COUNCIL MEMBERS – Hansen and Johnson
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None
- 3) In reference to the **New Development and Tenant Improvements Plans Review fees** (Exhibit D):
AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None
- 4) In reference to the **Miscellaneous fees** (Exhibit E):
AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk

2005-81

City of Lodi Fire Department



Business Plan for Recovery of Costs Associated with

Annual Permits to Operate
New Development and Tenant Improvement Plans Review
Annual Fire and Life Safety Inspections
and
Miscellaneous Fire Department Products and Services

March 2005

Regulation and Policy

The fee schedules will apply within the legal boundaries of the City of Lodi. Operational oversight will be provided by the Lodi Fire Department as developed by the Fire Chief. Coordination of activities associated with the fee schedules will be performed by the Fire Marshal and Fire Prevention Bureau of the Lodi Fire Department.

As a cost-recovery program, the fee schedules will be evaluated periodically to ensure revenue represents actual cost-recovery without surpluses or deficits. Fees will be established after quantifying time-on-task and frequency of occurrence for each item in the schedules. A significant factor in determining the fee amounts will be ensuring all prevention activities are included in cost-recovery calculations.

Roles and responsibilities of staff utilizing the fee schedules will be articulated by the Fire Chief and Fire Marshal. Prevention activities subject to cost-recovery (plan review, fire and life safety inspections, permits-to-operate, and miscellaneous) will be performed by authorized fire department personnel. This staff will be part of the chain-of-command flowing through the Fire Marshal to the Fire Chief. Inspectors and clerical staff will have clearly defined roles, responsibilities, and lines of communication. Day-to-day oversight will be provided by the Fire Marshal, with overall management and policy development determined by the Fire Chief.

Planning will be an ongoing activity focusing on two outcomes: 1) the City of Lodi has direct control over activities and situations affecting fire and life safety, and 2) entities and individuals receiving direct benefit from city resources bear the cost of consuming those resources. Formal changes to the program will be proposed during, and as part of, the budget process when practical. Changes arising from environmental conditions will be identified and presented when the interests of the city or consumers will be affected significantly. To ensure the city's interests are represented fully, the fire department will consult with Community Development, Public Works, and Finance departments as well as the City Attorney and City Manager before implementing any significant change, expansion, or reduction in the fee schedules; however, the final decision to request authorization from the City Council will rest with the City Manager.

Analysis and Planning

For the City of Lodi, the components and level of service associated with creating, implementing, and operating a cost-recovery fee schedule will be tailored to its perspectives, preferences, and priorities. Detailed quantitative analysis shows the relationship between the time needed to perform the various tasks for the items listed in the fee schedules and the cost of operating the Fire Prevention Bureau of LFD. This analysis also identifies the financial, equipment, facilities, and staffing needs necessary to serve the public quickly and effectively. This analysis will establish baseline values for activities and costs as well as creating a standardized method for assessing needs and meeting those needs with specific service elements.

In addition to specific analysis to determine levels of service and cost-recovery values, community and demographic data will be factored into the calculations to ensure proper weighting of local characteristics is included. Since this will be a new program for the city, the fee schedules will be compared to prices charged by other jurisdictions in the region as well as specific analysis of LFD cost-recovery requirements. Another source to assure the reasonableness of the fee schedules is the results of a survey conducted by the International Conference of Building Officials. The ICBO surveyed 63

California cities and counties, grouped by population, and developed descriptive statistics of the fees charged to review plans and conduct inspections for the most common construction types.

The LFD Strategic Plan identifies numerous performance measures as a means of validating the expected outcomes of department activities. As the fee schedules are implemented, additional performance measures related to work processes and outcomes may be developed to ensure accountability to the city and general public is maintained. These performance measures as well as ongoing program evaluation will be part of a "system assessment cycle" that includes: data collection, evaluation, analysis, planning, implementation, training, feedback, and more data collection. This will allow the department to monitor short- and long-term changes in the environment, current local and regional conditions and trends, as well as changes in demographic, economic, and political circumstances that may affect the business interests of the city.

Finance

Economists have advocated more extensive utilization of user charges by local governments to finance public services. "User charges put public prices on public products. They apply to those who voluntarily consume services or use public facilities... They are favored not only because they [generate savings to the general fund], but also because they can lead to more efficient allocation of resources and a more equitable distribution of public services" (*San Marcos Water District v. San Marcos Unified School District*, 1985).

To be certain our cost calculations consider the full range of applicable indirect as well as direct charges, LFD will review all aspects of the fire prevention portion of the department's overall budget. "The real costs of municipal services involve substantially more than the direct salary and benefit costs associated with delivering a service. Cost calculations also include such indirect costs as departmental overhead and administration, municipal overhead and administration, fixed asset replacement, capital depreciation, debt service, and retirement."¹ In an opinion letter dated July 21, 1997, titled *Building Inspection and Permit Fees—#12478*, the Legislative Council of California stated, in the opinion of that office, California statutes authorize local building departments to include those costs within the fees it charges for permits and inspections.

To identify the total cost-recovery amount, both internal and external costs will be included. Internal costs are those fire department direct expenses identified in the annual budget documents. External costs are those services and support provided by other city departments as a component of the overall city organization.

Incorporating the cost of support services provided by the city (which allows the fire department to function) acknowledges the "administrative infrastructure" which is as necessary as the city's physical infrastructure for meeting service demands. Administrative infrastructure includes city services such as data processing, finance, human resources, vehicle and building maintenance, legal counsel, and time spent by the City Council enacting laws and ordinances regulating fire and life safety. In other words, plan checks, inspections, and related permit services could not occur without an organization capable of meeting the various resource needs of citizens, businesses, and developers.

The basic methodology for cost-recovery is to identify all costs of services provided by LFD (plans review, fire and life safety inspections, permits, and miscellaneous) and create fees based on the time

¹ Bouse, Michael W.; *Establishing Building Permit Fees*; p 13; International Conference of Building Officials, 1998.

required by fire department personnel to complete those tasks. The fee for reviewing a particular type of plan document will be based on the time needed to complete the review.

Based on the available capacity of the Fire Prevention Bureau of LFD, the hourly rate for providing services will be \$75 per hour. This includes all direct and indirect costs of prevention as well as an administrative overhead charge representing the cost of support services provided by the City of Lodi.

The best way to calculate time-on-task for the items included in the fee schedules is to examine historical records and combine values from several years or accounting periods into a representative value supported by statistical analysis. Until recently, LFD record keeping has been limited to compliance with mandated external reporting requirements. This means documentation of activity relevant to establishing fee schedules is incomplete and not suitable for use as the sole basis for determining prices. Rather than establishing prices in an arbitrary manner, LFD has chosen to utilize information from Community Development, Public Works, ICBO, and nearby jurisdictions in addition to available department data. To ensure the fee schedules can withstand critical scrutiny, the assumptions, methods, and values have been reviewed by the Finance, Community Development, and Public Works directors; the city Building Official; City Attorney; and City Manager's office.

Legal

Licensing laws and regulations achieve a number of related police power objectives by controlling performance of designated activity and prohibiting unlawful and unsafe practices. User fees in California are required to conform to the requirements of the California Constitution as well as the statutory requirements contained in the California Code of Regulations and Government Code. State courts have been very flexible regarding methodologies used by local jurisdictions to establish service fees. The courts have held that some form of study or analysis must be conducted, and that the rationale used in the study must be reasonable. The reasonable cost standard is met when fees are based on supporting data for the jurisdiction.²

Quality Management

The main focus for quality management activities is ensuring fee schedule prices reflect appropriate cost-recovery guidelines. These guidelines, in turn, are based on community needs and expectations, desired organizational outcomes, and available resources. Another function of quality management is ongoing evaluation of performance targets to measure compliance to policies and procedures as well as ensuring targets are realistic and attainable. A third use of quality management is to build, verify, and monitor standards and procedures for successful completion of the permit/inspection process.

Analysis of quality management tasks and data will identify areas of improvement, evaluate system performance, prioritize areas of development, monitor performance indicators, discover training opportunities, and include customer satisfaction feedback loops. The performance measures identified in the Strategic Plan will be the basis for capturing appropriate data points as well as allowing analysis from different perspectives using different data groupings and levels of aggregation.

² Bouse, Michael, W.; *Establishing Building Permit Fees*; p 7; International Conference of Building Officials, 1998.

Education and Information

Education and information activities will be divided into three basic groupings: 1) meetings with civic groups, developers, and interested stakeholders; 2) casual or informal information exchange at the permit center counter; and 3) publishing and distributing a "developer's guide" for the purpose of allowing interested parties to know, up front, the expectations of the City of Lodi in regards to code compliance and the review/inspection processes.

The first phase of education and information activities will focus on introducing the fee schedules, answering questions, and building understanding of the need to implement cost-recovery efforts. The second part of education and information activities is daily, ongoing contact with applicants. A knowledgeable counter-person will be able to answer questions and distribute literature. The third phase will promulgate consistent interpretation of the codes through development and distribution of standards and guidelines. This will allow developers to create plans in compliance with local expectations and reduce disputes over city requirements. In addition to the developer's guide, various pamphlets, brochures, and flyers will be created as demand requires.

Equipment and Facilities

Since the fee schedules are a new endeavor for LFD, there is no way to quantify their impact on available capacity. The fire department is comfortable with using available resources to operate the program until a baseline history of the actual workload can be established. Developing and designing appropriate forms and checklists will be the only initial change to LFD resource needs.

Operations

The fee schedules will be based on this plan and supporting data analysis. Work flow will remain basically the same, only the volume will increase. This program is an extension of the fire department's strategy to utilize resources efficiently and effectively, uses the existing chain of command, and as workload increases will provide for further delineation of responsibility and authority. Service delivery will be consistent with city and LFD policy; industry standards; and applicable statutes, ordinances, and regulations. Although formal disputes are rare, the Lodi Municipal Code articulates the means by which an applicant can appeal.

There will be a need for additional technical training in hazardous materials management and in some aspects of permit requirements. LFD will work cooperatively with other departments and organizations in planning, identifying needs, training, integration, and coordination of tasks, documents, and approvals. This will be a cooperative effort on the part of city departments to ensure changes to work processes, lead time, and documentation will be implemented in a manner that provides the city control and oversight while recovering the costs of enforcement.

In general, for each requested service, an applicant will complete an application form or submit the appropriate materials, pay the required fee (or minimum increment) and the work will be processed in the order in which it is received. For example, a hood-and-duct system will take four hours for document review and inspection. At \$75 per hour, one system will recover \$300, if ten systems are installed, the City of Lodi will recover \$3,000.

The fee schedule can accommodate special circumstances, but the customer will pay a premium for LFD to perform services outside its customary operating structure. Likewise, should a customer fail to meet his or her obligations, there is a penalty for consuming city resources unnecessarily.

Implementation

The likely (based on surveys and available city data) time-on-task associated with each fee schedule item is the basis for establishing the actual fee amount. In cases where it is not possible to quantify the exact amount of time for completing a particular task, minimum incremental fees are listed—subject to adjustment as the actual time-on-task is determined for each project or activity. This assures fees are matched as closely as possible to the resources consumed for providing the specified service or product.

The fees are based on the annual available hours of fire department staff in comparison with the costs to be recovered. The target for cost recovery is the Fire Prevention Bureau portion of the fire department budget plus the city administrative overhead costs proportionally allocated to prevention activities.

Because this is a new endeavor for the fire department, it is difficult to anticipate exactly the increase in workload and its effect on available capacity. This is why many items in the fee schedules list minimum increments of the final fee as the base price and why the program will be implemented in phases. The fee schedules will be implemented starting with tasks already performed by LFD and advance to activities requiring different skills and additional capacity. However, as the program matures and detailed historical data is collected, cost-recovery estimates will be refined and adjusted as necessary to more closely align with the cost-recovery target.

The Master Fee Schedule contains the complete listing of the items for which fees will be collected when the program is fully implemented. Plans review and certain fire and life safety inspections will be the first phase of implementation. Annual permits to operate will be introduced after the operational methods are shown to be effective and efficient. Miscellaneous items will be added as needed while the program develops and solidifies.

EXHIBIT B

Annual Fire and Life Safety Inspections		Fee
State Mandated Inspections		
E-3 Occupancies – Day Care		
7 - 49 clients	150.00	+
50 - 149 clients	187.50	+
>= 150 clients	225.00	+
Pre-inspection <= 25 clients	50.00	
Pre-inspection > 25 clients	100.00	
I Occupancies – Institution		
I-1 or I-2 Occupancies < 6 patients	150.00	+
I-1 or I-2 Occupancies >= 6 patients	225.00	+
I-3 Occupancies – Detention Facilities	No Charge	
R-1 Occupancies – Apartments		
3 - 16 Units	112.50	+
17 - 32 Units	150.00	+
>= 33 Units	187.50	+
R-1 Occupancies – Hotels/Motels		
3 - 16 Units	112.50	+
17 - 32 Units	150.00	+
>= 33 Units	187.50	+
R-2 Occupancies – Residential Care Facilities		
>= 7 residents	225.00	+
Pre-inspection < 25 residents	50.00	
Pre-inspection >= 26 residents	100.00	
R-3 Occupancies – Large Family Day Care		
7 to 14 clients	75.00	+
Pre-inspection	50.00	
R-6 Occupancies – Halfway Houses, etc.		
>= 7 residents	225.00	+
Pre-inspection < 25 residents	50.00	
Pre-inspection >= 26 residents	100.00	

EXHIBIT C

Business Fire & Life Safety Inspections

Fire Company Business Inspection

Initial plus 1 Reinspect

No Charge

Additional Reinspections (each)

75.00 +

+ Minimum Fee, actual cost may vary

EXHIBIT D

New Development and Tenant Improvements Plans Review Fee

Site Planning		Fee
Annexation		150.00 +
Land Use		150.00 +
Lot Line Adjustments		150.00 +
Parcel Map		150.00 +
SPARC		150.00 +
Zoning Variance		150.00 +
Subdivision/Lot Splits		
1 – 4 Lots		150.00
5 – 24 Lots		300.00
25 or more Lots		450.00
Fire & Life Safety Plans Review and Inspections		Fee
Fire Review of Building Construction		Add 25% to building plan check & building permit fee
Certificate of Occupancy (Fire)		75.00 +
Fire Protection Equipment Plans Review and Inspections		Fee
Civil Improvement Site Plan (no underground inspection)		150.00 +
Compressed Gas System (each)		
Hazardous Materials		375.00 +
Medical Gas		450.00 +
Fire Alarm System		450.00 +
Fire Alarm System for Fire Sprinkler Monitor		300.00 +
Fire Flow/Hydrant Test		150.00 +
Fire Pump		900.00 +
Fire Sprinkler System (per riser)		
1 – 6 Heads		225.00
7 – 19 Heads		375.00
20 – 99 Heads		750.00
100 – 199 Heads		1,050.00
>=200 Heads (plus \$0.50 per head)		1,350.00
Halon/Clean Agent System		450.00 +
Hood & Duct Fire Suppression System (each)*		300.00 +
*hood requires separate building permit		
Plan Maintenance Fee*		Add 5% to plan check fee
*fire alarm system, alarm system for sprinkler monitor, fire pump, fire sprinkler system, halon/clean agent system, hood & duct suppression system, spray booth, standpipe/hose stations		
Smoke Management Systems		750.00 +
Spray Booth (each)		450.00 +
Standpipe/Hose Stations		150.00 +

Miscellaneous Development		Fee
Administrative Charge		
Design Review Consultation/Conference		75.00 +
Minimum Intake Fee (not otherwise specified)		75.00
Second & Subsequent Plan Revision Submittals (each)		150.00
Temporary Certificate of Occupancy		150.00
Special Plan Review Request		
After Hours		225.00 +
Not Otherwise Specified		150.00 +
Cancellation - <24 Hrs. notice, Not Ready, No Show		75.00
Technical Report/Alternate Materials or Methods*		150.00 +
*per code item plus consultant fee plus 20% admin. fee		
+ Minimum Fee, actual cost may vary		

EXHIBIT E

Miscellaneous	Fee
Administrative Charge	
Appeals – When Fire Chief Denies Application	250.00
Environmental Impact Report Document Search	75.00 +
Other Activities Not Listed	75.00 +
Refund Processing	37.50
Weed Abatement (per parcel)	150.00 +
Emergency Response (per company)	
Hazardous Materials	131.00 +
False Alarms – 2 or fewer per calendar year	No Charge
Third False Alarm	75.00
Fourth False Alarm	150.00
Fifth and Subsequent (each)	393.00
Contact not at scene in 60 min	131.00
Failure to notify LFD of test	131.00
Fire Investigations (per person)	75.00 +
Fire Reports and Other Documents (per page)	0.25 +
Investigation - No Construction Permit	75.00 +
Occupancy Load Calculation	75.00 +
Photograph Reproduction (per print)	
Actual cost plus 20% admin fee	
Standby (per person)	75.00 +
Standard Hourly Rate	
LFD Personnel	75.00
Engine or Truck Company	131.00

+ Minimum Fee, actual cost may vary



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: RESOLUTION ESTABLISHING MASTER FEE SCHEDULE FOR ANNUAL PERMITS TO
OPERATE NEW DEVELOPMENT AND TENANT IMPROVEMENT PLANS REVIEW, FIRE
AND LIFE SAFETY INSPECTIONS, AND OTHER MISCELLANEOUS SERVICES
PROVIDED BY THE CITY OF LODI FIRE DEPARTMENT

LEGAL AD

PUBLISH DATE: WEDNESDAY, MAY 4, 2005

TEAR SHEETS WANTED: Three (3) please

SEND AFFIDAVIT AND BILL TO:


SUSAN BLACKSTON, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: WEDNESDAY, APRIL 27, 2005


ORDERED BY:

KARI J. CHADWICK
ADMINISTRATIVE CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

PLEASE  **SEND PROOF OF ADVERTISEMENT. THANK YOU!!**

LNS	Faxed to the Sentinel at 369-1084 at <u>11:00 am</u> (time) on <u>4/27/05</u> (date) <u>15</u> (pages)
	Phoned to confirm receipt of all pages at _____ (time) _____ Jac _____ KJC _____ (initials)
	<u>4/26/05</u>

PROOF OF PUBLICATION

(2015.5 C.C.C.P.)

STATE OF CALIFORNIA

County of San Joaquin

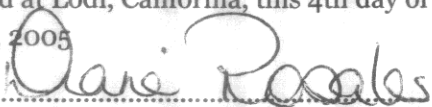
I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily except Sundays and holidays, in the City of Lodi, California, County of San Joaquin and which newspaper had been adjudicated a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953. Case Number 65990; that the notice of which is annexed is a printed copy (set in type not smaller than non-pareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereto on the following dates to-wit:

May 4th

in the year 2005.

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Witness my hand and seal at Lodi, California, this 4th day of May, 2005


Signature

RECEIVED

This space is for the County Clerk's Filing Stamp

2005 JUN 13 AM 8:37

CITY CLERK
CITY OF LODI

Proof of Publication of

Resolution Establishing Master Fee Schedule For Annual Permits to Operate New Development & Tenant Improvement Plans Review, Fire & Life Safety Inspections, & Other Miscellaneous Services Provided By the City of Lodi Fire Department

8501762

RESOLUTION NO. 2005-81

A RESOLUTION OF THE CITY OF LODI ESTABLISHING
A MASTER FEE SCHEDULE FOR ANNUAL PERMITS
TO OPERATE NEW DEVELOPMENT AND TENANT IMPROVEMENT PLANS REVIEW, FIRE AND LIFE SAFETY INSPECTIONS, AND OTHER MISCELLANEOUS SERVICES PROVIDED BY THE CITY OF LODI FIRE DEPARTMENT

WHEREAS, the City of Lodi Fire Department is charged with the responsibility of enforcing applicable codes pertaining to fire and safety and other regulations promulgated by the State Fire Marshal pursuant to California Health and Safety Code Section 13141 California Fire Code Section 101.2.2.2; and

WHEREAS, the City of Lodi incurs costs and expends resources when fire prevention services are of a recurrent nature and the of discretionary development; and

WHEREAS, the City desires to establish a policy to recover the cost of providing special services of a voluntary or limited nature such that general fund monies are not diverted from general services of a broad nature, and thereby utilized to subsidize unfairly such special services; and

WHEREAS, the City, pursuant to California Health and Safety Code Sections 13146.2(b), 13217(b), and 17951 and California Government Code Sections 6062(a), 6103.7, 66016, 66017, and 66018, is authorized to adopt fees sufficient to pay the cost of providing these services to the general public following proper notice and a public hearing; and

WHEREAS, the City Council of the City of Lodi has adopted Ordinance No. 1759, repealing and re-enacting Chapter 15.20 (Code) of the Lodi Municipal Code, which authorizes in Section 15.20.040 the City to establish fees sufficient to recover its cost administering the Fire Code, subject to adoption of an implementing resolution of the City Council; and

WHEREAS, the City of Lodi Fire Department has conducted an analysis of its services, the costs reasonably borne, the benefits of those services, and the cost-recovery revenues produced by those paying fees and charges for special services (Business for Recovery of Costs, i.e. the "Fee Study," and Master Fee Schedule, dated March 2005, collectively attached hereto as Exhibit through E and incorporated herein); and

WHEREAS, the analysis of fees and service charges set forth in the Fee Study and Master Fee Schedule provide a mechanism ensuring fees adopted by the City for services rendered do not exceed the reasonable estimated cost of providing the service which the fees are charged; and

WHEREAS, the fees and service charges set forth in the Master Fee Schedule bear a fair and reasonable relationship to the costs in administering the Fire Code; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Act (Public Resources Code Sections 21061 et seq.) because it approves and sets forth a procedure for determining fees for the purpose of meeting certain operating expenses of the City; and

WHEREAS, the Fee Study was available for public inspection and review in the office of the City Clerk for more than 14 days prior to the date of the Public Hearing on this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does find and resolve as follows:

1. The recitals set forth above are true and correct.

2. The fees and service charges set forth in the Master Fee Schedule (Exhibit B-E) are hereby implemented.

3. The fees and service charges set forth in the Master Fee Schedule are to be uniformly applied and collected for services provided by the Lodi Fire Department or its designated contractor(s). Fees and service charges for special services of a voluntary or limited nature shall not exceed the actual cost incurred by the City in providing the special service.

4. Fees and service charges set forth in the Master Fee Schedule are for each identified service; additional fees and service charges shall be required for each additional service requested or required. Where fees are indicated on a per-unit basis, the fee is for the identified unit or portion thereof within the indicated range of such units.

5. The Fire Chief of the City of Lodi is hereby delegated the authority to create administrative, fee-collection, and financial procedures as necessary to implement the Master Fee Schedule consistent with the policies set forth in this Resolution.

6. The appropriate fee(s) under the Master Fee Agreement shall be paid at the time of application submittal for: a) permits to operate; b) new development and tenant improvement plan checks/inspections, c) annual fire and life safety inspections, and d) miscellaneous services and products. In the event fees are not paid at the time of application submittal or upon request for additional fees, the applicant shall not be obligated to process, approve, or take further action on permits, plan checks/inspections, fire and life safety inspections or other services and products listed in the Master Fee Schedule until such time as the appropriate fees are paid to the City.

7. No permit or approval shall be issued by the City unless applicant's project is in compliance with applicable City and state law. Payment of fees by applicant shall not be construed as any waiver of the City's right to enforce compliance with fire and life safety standards, statutes, ordinances, or regulations through any means authorized by applicable law.

8. At regular intervals the Fire Chief shall review the Master Fee Schedule to ensure that fees and service charges continue to bear a fair and reasonable relationship to the City's costs in administering the Fire Code.

9. The Fire Chief shall propose modifications to the Master Fee Schedule to the City Council in the form of a resolution. In proposing modifications to the Master Fee Schedule, the Fire Chief shall consider only the standards, criteria, and procedures established in this Resolution and applicable state law. The Fire Chief may also adjust the type of services offered in the Master Fee Schedule in the judgment of the Fire Chief, equity requires such adjustment.

10. Fee adjustments to the Master Fee Schedule proposed by the Fire Chief may be increased by resolution of the City Council if amounts determined reasonable and necessary when budget and workload analysis supports such increases.

11. The Master Fee Schedule established in this Resolution shall be effective on July 1, 2005, which date is at least sixty (60) days after adoption of this Resolution.

12. This resolution shall be published one time in the "Lodi News-Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi.

Dated: April 20, 2005

I hereby certify that Resolution No. 2005-81 was passed and adopted by the City Council of the City of Lodi in a regular meeting on April 20, 2005, by the following votes:

1. In reference to the Annual Fire and Life Safety Inspection fees (Exhibit B):

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

2. In reference to the Business Fire and Life Safety Inspection fees (Exhibit C):

AYES: COUNCIL MEMBERS – Hitchcock, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – Hansen and Johnson

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

3. In reference to the New Development and Tenant Improvements Plans Review fees (Exhibit D):

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None